
UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : **AMENDED CRIMINAL COMPLAINT**

v. :

JEFFREY L. BELL, Sr. : Mag No. 06-3612

I, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

SEE ATTACHMENT A

I further state that I am a Special Agent, and that this amended complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

Christopher Silvern, Special Agent
Department of Labor, Office of
Inspector General, Office of
Racketeering and Fraud
Investigations

Sworn to before me and subscribed in my presence,
August 21, 2006, at Newark, New Jersey

HONORABLE PATTY SHWARTZ
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

ATTACHMENT A

On or about February 7, 2006, in the District of New Jersey, and elsewhere, defendant Jeffrey L. Bell knowingly and willfully falsified, concealed, and covered up material facts, and made false, fictitious, and fraudulent statements and representations, in connection with the receipt of compensation and other benefits and payments exceeding \$1,000, under Subchapters I and II of Chapter 81 of Title 5, United States Code, the Federal Employees' Compensation Act, in that in a Form 1032 defendant Jeffrey L. Bell falsely claimed to have no self-employment, no involvement in any business enterprise, and had not earned any income from any self-employment or involvement in any business enterprise during the prior fifteen months thereby causing him to receive in excess of \$1,000 in tax-free disability payments in violation of Title 18, United States Code, Sections 1920 and 2.

ATTACHMENT B

I, Christopher Silvern, a Special Agent of the Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations, following an investigation, am aware of the following facts:

Introduction

1. Defendant Jeffrey L. Bell, Sr. (hereinafter "Bell") is an Electronics Technician with the Federal Aviation Administration (hereinafter "FAA"), at the William J. Hughes Technical Center in Atlantic County, New Jersey. Bell's duties and responsibilities with the FAA include the repair, installation, service, and inspection of certain navigational devices used in aircrafts owned or controlled by the FAA.

2. In or around October 2001, Bell reported that he injured his neck when he fell out of a chair while carrying out his duties as a federal employee with the FAA. From on or about March 14, 2005 to on or about September 18, 2005 and from on or about November 18, 2005 through the date of this Complaint, Bell did not report to work at the FAA because of the alleged injury. During these periods, Bell sought and received federal workers' compensation benefits under the Federal Employees' Compensation Act (hereinafter "FECA"), Title 5, United States Code, Section 8101 et. seq.

Overview of FECA

3. Under FECA, benefits are available to federal employees who sustain work-related injuries or occupational diseases. These benefits include compensation for lost wages and the payment of medical expenses. The United States Department of Labor, Office of Workers' Compensation Programs (hereinafter "OWCP") administers the FECA program.

4. As a condition of receiving FECA benefits, OWCP requires claimants to truthfully complete a Form 1032. This form requires the claimant to truthfully disclose the following information:

(a) whether the claimant had worked for any employer during the prior fifteen months for which the claimant received a salary, wages, income, sales commissions, piecework, or payment of any kind;

(b) whether the claimant was self-employed or involved in any business enterprise during the prior fifteen months, including operating a business or providing services in exchange for money, goods, or other services, to include activities such as contracting work, mechanical work, and "odd jobs,";

(c) if the claimant was self-employed or involved in a business enterprise during the prior fifteen months, then the claimant was required to report the dates of such self-employment, a description of the work performed, the claimant's rate of pay (including meals and reimbursed expenses) and actual earnings, among other things; and

(d) whether the claimant performed any work or had an ownership interest in any business enterprise during the prior fifteen months, even if the business lost money, the profits were reinvested, or the profits were paid to others.

5. The Form 1032 advises claimants that the fraudulent concealment of material information or the making of false statements could result in criminal penalties.

Bell's False and Fraudulent Form 1032

6. On or about February 10, 2006, OWCP received a Form 1032 that Bell had signed on or about February 7, 2006. On this Form 1032, Bell indicated that he was neither self-employed nor involved in any business enterprise from in or around November 2004 through on or about February 7, 2006 (hereinafter "the prior fifteen months"). He further indicated that he had not worked for any employer during the prior fifteen months. Bell did not report any income, sales commissions, or rates of pay on this Form 1032.

7. During the prior fifteen months, Bell was employed as an independent contractor for AmeriPlan Corporation (hereinafter "AmeriPlan"), a company headquartered in Plano, Texas that markets discount health care benefits. According to AmeriPlan's corporate counsel, Bell is a Regional Sales Director for AmeriPlan, and his duties and responsibilities included the marketing and sale of AmeriPlan's health care benefits to others. Bank records obtained during the course of this investigation reveal that Bell received a commission check, usually on a monthly basis, from AmeriPlan. Bell neither disclosed his employment with AmeriPlan nor any of the sales commissions he earned from AmeriPlan on the Form 1032.

8. During the prior fifteen months, Bell was also the President and sole owner of U.S. Aircraft Instruments, Inc. (hereinafter "U.S.A.I."), a private, for-profit company located in Hammonton, New Jersey and incorporated in the State of New Jersey. U.S.A.I. repairs, installs, services, and inspects various navigational devices used in aircrafts. During this time frame, Bell had continually (1) operated, managed, and controlled U.S.A.I.; (2) performed repairs, inspections, and services for a fee; and (3) earned income from his ownership and operation of U.S.A.I. Bell neither disclosed his self-employment and involvement with U.S.A.I. nor the income he derived from U.S.A.I. on the Form 1032.

9. Bank records obtained during the course of this investigation reveal that Bell, d/b/a U.S.A.I., maintains a corporate bank account for U.S.A.I. These bank records reveal that during the prior fifteen months Bell deposited or caused to be deposited into this account approximately 92 checks. All of these checks were made payable to U.S.A.I., and the total gross amount of these checks is approximately \$23,900. Bell or his wife, O.N.B., endorsed these checks. The payors on these checks include individuals, aircraft instrument companies, flying clubs, civil air patrols, and other businesses and entities in the aviation field. Bell neither reported the services he provided to these payors nor the income he received from rendering such services on the Form 1032.

10. On or about May 30, 2006, a federal agent acting in an undercover capacity (hereinafter "UC") contacted Bell at U.S.A.I. via telephone. The UC agent, posing as an inquiring customer, asked Bell how much he would charge to repair a horizontal indicator, a device used on airplanes. Bell told the UC agent that Bell could repair the instrument for \$260, and that his business would remove the instrument from the plane for an additional fee. During this conversation, Bell told the UC agent that Bell was on disability from his full-time job with the FAA, and that he needed to be careful about working while collecting disability. Bell advised the UC agent that Bell had an individual named "Mike" who would do the work but that Bell would sign all the necessary certifications as required by the FAA.

11. On or about June 7, 2006, federal agents interviewed Bell at U.S.A.I. During this interview, Bell admitted that he completed and signed the Form 1032 referred to in Paragraph 6. When agents questioned Bell about his failure to report income to OWCP, Bell stated, in substance and in part, that he had not received any income from any source after March 2005.

12. On June 7, 2006, federal agents executed a court authorized search and seizure warrant at U.S.A.I. During the execution of the warrant, federal agents found invoices, checks, credit card transactions, and other records that establish that Bell was continuously self-employed and generating income from his involvement with U.S.A.I. during the prior fifteen months. Moreover, these records establish that Bell received income after March 2005, contrary to the statement Bell made to federal agents as described in Paragraph 11.

13. Among the business records seized from U.S.A.I. during the execution of the warrant referred to in Paragraph 12 were numerous receipts and records detailing credit card payments made by various customers to U.S.A.I. for services rendered by Bell, d/b/a U.S.A.I. Your Affiant's review of these records reveals that Bell, d/b/a U.S.A.I., processed over 95 credit card transactions with a total value of approximately \$34,000 during the prior fifteen months. Bell neither reported any of the work he performed or supervised related to these transactions nor the income he received from these transactions on the Form 1032.

14. Your Affiant's review of the business records seized from U.S.A.I. reveal that during the prior fifteen months that Bell not only supervised individuals that he had hired to perform repairs and services on behalf of U.S.A.I. but Bell also personally performed repairs and services on aircraft instruments. For example, on or about February 1, 2006, several days before Bell executed the Form 1032, Bell completed a U.S.A.I. Work Order/Inspection Sheet for a customer (hereinafter "Customer"). On this Work Order/Inspection Sheet, Bell represented to the Customer that he performed a functional test on the altimeter. Bell reported that the altimeter failed this test. Under a section of the Work Order/Inspection Sheet titled "Work Performed," Bell represented to the Customer that he "removed and replaced [an] altimeter. . . ." Bell then submitted an invoice to the Customer for \$540.60. In the invoice, Bell charged the Customer \$50 for labor. According to Bell's records, the Customer paid this invoice in full on February 3, 2006.

15. An individual (hereinafter "Individual") who is an owner of an aircraft business in New Jersey has provided information concerning Bell's activities with U.S.A.I. The Individual stated, in substance and in part, that on or about January 16, 2006 that his business provided Bell with a check for \$990. This check was made payable to "Jeff Bell." According to the Individual, this check was given to Bell for inspection services rendered by Bell, d/b/a U.S.A.I. According to the

Individual, Bell instructed the Individual to make the check personally payable to Bell.

16. On or about January 19, 2006, O.N.B. opened a personal checking account in her name at a bank in Atlantic County, New Jersey. Bell was not a signatory to this account. On or about January 19, 2006, Bell and O.N.B. endorsed the \$990 check referred to Paragraph 15 and deposited it into O.N.B.'s account. Bell did not report this check on the Form 1032.

17. On or about February 18, 2006, OWCP issued Bell a disability check for \$6,283.32. In total, Bell received in excess of \$100,000 in tax-free FECA benefits for the time frames referred to in Paragraph 2.

18. If Bell had truthfully reported his employment with AmeriPlan, his self-employment with U.S.A.I., and all the income he received from them, then OWCP would have done the following: (1) offset his FECA benefits based on the reported income from AmeriPlan and U.S.A.I.; and (2) requested that Bell be reevaluated by a medical doctor to determine his further entitlement to FECA benefits and to determine whether he was medically fit to return to work at the FAA.